



GARY R. HERBERT
Governor

GREGORY S. BELL
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

March 23, 2010

Irene Kwan
Wells Fargo Bank
Standby Letter of Credit Department
One Front Street, 21st Floor
San Francisco, California 94111

Subject: Authorization for Release of Reclamation Surety, Letter of Credit, Paradise Management Inc., Koosharem Clay Mine, M/031/0002, Piute County, Utah

Dear Ms. Kwan

Wells Fargo Bank is presently holding letter of credit # _____ for the benefit of the State of Utah, Division of Oil, Gas and Mining, as a form of reclamation surety for Paradise Management Inc., Koosharem Clay mine. The permit has been transferred to Holcim (US), Inc., which has provided a replacement surety. Therefore, the letter of credit for Paradise Management can be released.

Please notify the Division when this transaction has been completed.

If you have any questions or concerns about this letter, please contact Dana Dean at 801-538-5320, or Paul Baker at 801-538-5261. Thank you for your help in this matter.

Sincerely,

John R. Baza
Director

JRB:jcr:pb

cc: Paradise Management Inc.
Penny Berry, DOGM
Stan_Perkes@blm.gov

P:\GROUPS\MINERALS\WP\M031-Piute\M0310002-Koosharem\final\release-3213-03032010.doc

Operations Group
Northern California
One Front Street, 21st Floor
San Francisco, CA 94111



PAGE: 1

DATE: APRIL 27, 2004

AMENDMENT TO CREDIT NO.

AMENDMENT NUMBER: 1

APPLICANT:
DON W. FULLMER
1255 N. 1800 W.
FILLMORE, UT 84631

BENEFICIARY:
UTAH DIVISION OF OIL, GAS & MINING
1594 WEST NORTH TEMPLE, SUITE 1210
BOX 145801
SALT LAKE CITY, UT 84114-5801

THIS AMENDMENT IS TO BE CONSIDERED AS PART OF THE ABOVE CREDIT AND MUST BE ATTACHED THERETO.

THE ABOVE MENTIONED CREDIT IS AMENDED AS FOLLOWS:

THE AMOUNT OF THIS CREDIT HAS BEEN INCREASED BY USD 5,700.00.

THE AMOUNT OF THE CREDIT ISSUED NOW TOTALS USD 55,700.00.

ALL OTHER TERMS UNCHANGED.

AUTHORIZED SIGNATURE

SOCCHI LOZANO

PLEASE CONTACT IRENE KWAN BY TELEPHONE AT 415-396-8131 OR BY FAX AT (415)284-9453 REGARDING ANY INQUIRIES.

RECEIVED
APR 28 2004
DIV. OF OIL, GAS & MINING

Operations Group
Northern California
525 Market Street, 25th Floor
San Francisco, CA 94105



m/31/002

PAGE: 1

DATE: APRIL 23, 2001

LETTER OF CREDIT NO.

BENEFICIARY:

UTAH DIVISION OF OIL, GAS & MINING
1594 WEST NORTH TEMPLE, SUITE 1210
BOX 145801
SALT LAKE CITY, UT 84114-5801

APPLICANT:

DON W. FULLMER
1255 N. 1800 W.
FILLMORE, UT 84631

FIRST SECURITY BANK, N.A. (FIRST SECURITY), WHICH HAS ISSUED THE ABOVE-REFERENCED STANDBY LETTER OF CREDIT (THE "L/C"), HAS MERGED INTO WELLS FARGO BANK, NATIONAL ASSOCIATION ("WELLS FARGO"). AS A RESULT, THE ROLE OF FIRST SECURITY AS THE ISSUER OF THE L/C HAS NOW BEEN TAKEN OVER BY WELLS FARGO BANK, N.A.

WELLS FARGO IS NOW THE ISSUER OF THE L/C AND, EFFECTIVE IMMEDIATELY, ALL DRAFTS AND DEMANDS TO BE DRAWN OR MADE UNDER THE L/C ON FIRST SECURITY SHOULD BE DRAWN OR MADE ON WELLS FARGO AT WELLS FARGO BANK, N. A., TRADE SERVICES DIVISION, 525 MARKET STREET, 25TH FLOOR, SAN FRANCISCO, CALIFORNIA 94105, AND ALL DOCUMENTS AND OTHER COMMUNICATIONS TO BE PRESENTED UNDER THE L/C TO FIRST SECURITY SHOULD BE PRESENTED TO WELLS FARGO AT THAT SAN FRANCISCO ADDRESS.

THIS L/C AS ORIGINALLY ISSUED BY FIRST SECURITY WAS NUMBERED _____. THAT NUMBER HAS NOW BEEN CHANGED TO WELLS FARGO LETTER OF CREDIT NUMBER NRS395032. ALL CORRESPONDENCE AND, WHERE APPLICABLE, DOCUMENTS MUST NOW BEAR THE NEW WELLS FARGO BANK LETTER OF CREDIT NUMBER.

IF THE L/C PRESENTLY EXPIRES AT THE COUNTERS OF FIRST SECURITY, THEN, EFFECTIVE IMMEDIATELY, THE ADDRESS OF THE PLACE OF EXPIRATION IS CHANGED TO THE ADDRESS OF WELLS FARGO IN SAN FRANCISCO INDICATED ABOVE. IF THE L/C PRESENTLY REFERS TO THE FACSIMILE NUMBER, SWIFT ID, OR TELEX NUMBER OF FIRST SECURITY, THEN EFFECTIVE IMMEDIATELY, SUCH FACSIMILE NUMBER IS CHANGED TO (415)284-9453. SUCH SWIFT ID IS CHANGED TO WFBIUS6S, AND SUCH TELEX NUMBER IS CHANGED TO "184904 WELLS UT".

IF YOU HAVE ANY QUESTIONS ABOUT THIS CHANGE, PLEASE CONTACT MIKE LIN BY TELEPHONE AT 415-396-2055 INSTEAD OF THE FIRST SECURITY CONTACT NAMES IN THE L/C.



AUTHORIZED SIGNATURE

RECEIVED

MAY 07 2001

DIVISION OF
OIL, GAS AND MINING

Original



DIVISION OF
OIL, GAS AND MINING

AMENDMENT TO IRREVOCABLE STANDBY L/C NO.: _____

AMENDMENT NO.: 03

Issued in SALT LAKE CITY, UTAH 84111 on October 27, 2000

BENEFICIARY:

Utah Division of Oil, Gas and
Mining, 1594 West North Temple
Suite 1210, Box 145801
Salt Lake City, UT 84114-5801

APPLICANT:

Don W. Fullmer
1255 N. 1800 W.
Fillmore, UT 84631

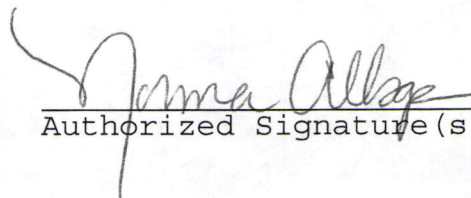
The above referenced Standby Letter of Credit has been amended as follows:

The amount of this Letter of Credit is increased by USD 34,800.00

The balance of this Letter of Credit is now USD50,000.00.

All other terms and conditions of this letter of credit remain unchanged.

Sincerely,



Authorized Signature(s)

Contact Name: Timi Freeman
Telephone : (801) 246-5720
Fax : (801) 246-5530

m/031/002



RENEWAL OF IRREVOCABLE STANDBY L/C NO.:

AMENDMENT NO.: 01

Issued in SALT LAKE CITY, UTAH 84111 on May 17, 1999

BENEFICIARY:

Utah Division of Oil, Gas and
Mining, 1594 West North Temple
Suite 1210, Box 145801
Salt Lake City, UT 84114-5801

APPLICANT:

Don W. Fullmer
1255 N. 1800 W.
Fillmore, UT 84631

The above referenced Standby Letter of Credit has been renewed for one additional year per the original terms of the credit. The expiry date of this Letter of Credit is now to read: **April 1, 2000**

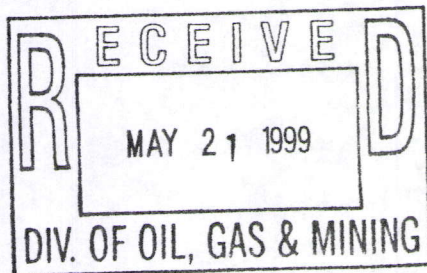
The Letter of Credit No. _____ is now to read:

All other terms and conditions of this letter of credit remain unchanged.

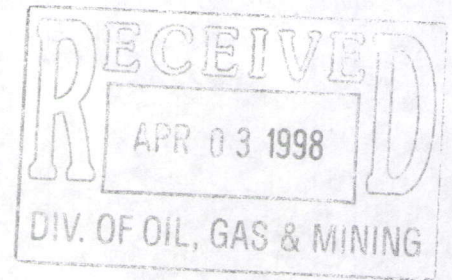
Sincerely,

A handwritten signature in black ink, appearing to read "Malynda Carter", written over a horizontal line.

Authorized Signature(s)



Contact Name: Malynda Carter
Telephone : 801-246-5663
Fax : (801)246-5530



IRREVOCABLE STANDBY LETTER OF CREDIT NO.

ISSUED IN Salt Lake City, Utah on 02 APR 1998

BENEFICIARY:

Utah Division of Oil, Gas and Mining
1594 West North Temple Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

APPLICANT:

Don W. Fullmer
1255 N. 1800 W.
Fillmore, Utah 84631

AMOUNT: USD ***15,200.00
FIFTEEN THOUSAND TWO HUNDRED AND
00/100 UNITED STATES DOLLARS

DATE AND PLACE OF EXPIRY:
01 APR 1999
at our counters

1. First Security Bank, N.A., ("Bank"), of Salt Lake City, Utah, hereby establishes this irrevocable letter of credit (the "Letter of Credit") in favor of the Utah Division of Oil, Gas and Mining ("Division") for an aggregate amount not to exceed Fifteen Thousand Two hundred in United States dollars (\$15,200.00) ("Face Amount") effective immediately.

2. This Letter of Credit will expire upon the first event set forth as follows: (a) 5:00 o'clock p.m. (Salt Lake City time) on April 1, 1999 or (b) the date upon which sufficient documents are executed by the Division to release Don W. Fullmer ("Operator") from further liability for reclamation of the Koosharem mine, mine permit # N.031.002 with notice to the Bank by the Division accompanied by the original Letter of Credit with directions for cancellation.

3. This Letter of Credit will be automatically extended for successive periods of one year from the current or any future expiration date unless the Bank gives notice to the Division 90 days prior to the expiration date that the Bank elects not to renew the Letter of Credit.

4. Funds under the Letter of Credit are available against the Division's sight draft, in the form of Exhibit A, specifying Letter of Credit No. S-0034991-9001 delivered to the office of the Bank, First Security Bank, N.A., International Dept., 41 East 100 South, Salt Lake City, Utah 84111. At the Division's sole election, the Division may present sight drafts for less than the Face amount so long as the aggregate amount of all sight drafts does not exceed the Face Amount. Each draft must be accompanied by a certificate in the form of Exhibit B, signed by a duly authorized representative of the Division.

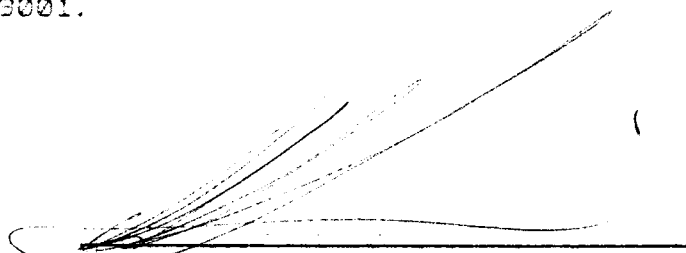
L/C #:
PAGE 2

5. If the Bank receives the Division's conforming sight draft(s) and certificate(s) as provided in Paragraph No. 4. above on or before the expiration or termination of this Letter of Credit, the Bank will make such amount as the Division may specify, within the limits of the second sentence of Paragraph No. 4 of this Letter of Credit, available to the Division no later than the close of business, Salt Lake City time, on the second business day following the Bank's receipt of the sight draft and certificate and in such a manner as the Division may specify.

6. The Bank will give prompt notice to the Operator and to the Division Director of any notice received or action filed alleging the insolvency or bankruptcy of the Bank, or alleging any violations of regulatory requirements which could result in suspension or revocation of the Bank's charter or license to do business.

7. The Letter of Credit will be governed by the laws of the State of Utah and shall be subject to the Uniform Customs and Practice for Documentary Credit, 1993 Revision, International Chamber of Commerce Publication No. 500, as the same may be amended and in effect from time to time ("UCP"). In the event of a conflict between Utah law and the UCP, Utah law shall govern.

8. All communications regarding this Letter of Credit will be addressed to the First Security Bank, N.A., International Dept., 41 East 100 South, Salt Lake City, Utah 84111, referencing Letter of Credit No. S-0004901-0001.



AUTHORIZED SIGNATURE(S)



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Ted Stewart
Executive Director

Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210

PO Box 145801

Salt Lake City, Utah 84114-5801

801-538-5340

801-359-3940 (Fax)

801-538-7223 (TDD)

EXHIBIT A - SIGHT DRAFT
to
Letter of Credit Number _____

Date City, County Letter of Credit No.

PAY TO THE ORDER OF: _____ Utah Division of Oil, Gas and Mining.

DOLLARS

TO: (Name of Bank or Surety)
and
(Address)

Utah Division of Oil, Gas and Mining
1594 West North Temple Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

By: _____
Authorized Signature



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Ted Stewart
Executive Director

James W. Carter
Division Director

1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
801-538-5340
801-359-3940 (Fax)
801-538-7223 (TDD)

EXHIBIT B

to
Letter of Credit Number _____

I, _____ a duly authorized representative of the Utah Division of Oil, Gas and Mining, hereby certify that (1) the drawing in the amount of \$ _____, by sight draft accompanying this certificate, under Letter of Credit No. _____ dated _____ issued by you is permitted under the provision of the Letter of Credit, (2) the Letter of Credit has neither expired nor terminated pursuant to its terms, (3) the amount of the sight draft, together with any amounts previously drawn under the Letter of Credit, does not exceed the Face Amount, and (4) the Utah Board of Oil, Gas and Mining, after notice and hearing, has entered an Order which has not been stayed, ordering forfeiture of Letter of Credit No. _____ in accordance with applicable law. Proceeds of this drawing will be utilized in full to pay the expenses relating to the reclamation liability, together with the costs of collection, including attorneys fees, for the _____ [mine], _____ [mine permit #].

The Utah Division of Oil, Gas and Mining

By: _____
Authorized Signature

Date _____

3:LOC